

REGULATORY RELEASE

18 June 2014

Wage Negotiations Update

Further to the announcement issued on Thursday, 12th June 2014, Lonmin Plc (“Lonmin” or “the Company”) confirms that it has received written feedback from Association of Mineworkers and Construction Union (AMCU) president Joseph Mathunjwa. This follows an ‘in principle’ agreement reached between the three platinum producers, Anglo American Platinum Limited (Amplats), Impala Platinum Holdings Limited (Implats) and Lonmin Plc (Lonmin) ‘the companies’ and AMCU leadership last week. AMCU committed to take this agreement to its members at the various mass meetings to receive a mandate from their members to sign an agreement.

The letter received from AMCU confirmed that the union had received a mandate from its members to finalise agreements with the companies that would bring an end to the five-month strike. The letter raises various procedural issues, such as the timeframe of proposed agreements and the logistics around a return to work, which the companies are willing to finalise with the union leadership. Regrettably, however, the letter also contains new and additional demands which, if granted, would mean significant additional costs for Lonmin – in excess of R200 million and well beyond the increases contained in the ‘in principle’ agreements.

The goal remains a sustainable solution beneficial to all stakeholders on the basis of the ‘in principle’ agreement reached with AMCU. Lonmin is currently engaged with AMCU on their feedback in order to achieve a return to work in line with the ‘in principle’ agreement reached.

A separate media joint media statement by the producers is available on www.platinumwagene negotiations.co.za

- ENDS –

ENQUIRIES

Investors / Analysts:

Lonmin

Tanya Chikanza (Head of Investor Relations)	+27 11 218 8358 / +44 20 7201 6007
Floyd Sibandze (Investor Relations Manager)	+27 11 218 8300

Media:

Cardew Group

James Clark

Sue Vey

+44 20 7930 0777

+27 72 644 9777

Notes to editors

Lonmin, which is listed on both the London Stock Exchange and the Johannesburg Stock Exchange, is one of the world's largest primary producers of PGMs. These metals are essential for many industrial applications, especially catalytic converters for internal combustion engine emissions, as well as their widespread use in jewellery.

Lonmin's operations are situated in the Bushveld Complex in South Africa, where nearly 80% of known global PGM resources are found.

The Company creates value for shareholders through mining, refining and marketing PGMs and has a vertically integrated operational structure - from mine to market. Lonmin's mining operations extract ore from which the Process Division produces refined PGMs for delivery to customers. Underpinning the operations is the Shared Services function which provides high quality levels of support and infrastructure across the operations.

For further information please visit our website: <http://www.lonmin.com>